

JUSTIFICATION AND APPROVAL  
FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

1. Identification of Contracting Activity.

The requiring activity is Commander Navy Region Southeast. The contracting activity is Navy Supply Systems Command (NAVSUP), Fleet Logistics Center (FLC), Jacksonville, FL.

2. Description of the Action Being Approved.

Request approval to award a Bridge contract on a sole source basis to Munilla Construction Management, LLC (MCM) to continue providing port operations support services at U.S. Naval Station, Guantanamo Bay, Cuba (NSGB). This Bridge contract requirement is a result of the termination of Seaward Services, Inc.'s Contract N68836-17-C-0001. The base period of performance under Contract No. N68836-17-C-0001 is ten (10) months and the Bridge contract will include a ten (10) months period of performance from 1 June 2017 through 31 March 2018.

3. Description of Supplies/Services.

The Bridge contract will provide for continuation of port operations and boat maintenance services for NSGB. The services under this contract include operation of multiple watercraft and boats and related maintenance services, port operations, and waterfront administration in support of NSGB. The total estimate of the ten (10) months is \$3,436,592.99. Docking Regular Overhauls (DROHs) consist of docking critical work such as hull non-destructive testing, hull plating replacements, blasting, priming and painting, sea chest, waster sleeve, sea valves, seawater piping, tank inspections, propeller and shaft removals, rudder removals, cutlass bearing replacements, strut bearing replacements, tank cleaning and inspections, tank and void preservation and all work that can only be performed while in dock. For planning purposes, the following craft will be scheduled for DROH in FY18: YTB 824 and YC 1639. The estimated value of the DROHs is \$1,575,604.00. An additional option period of six months, as authorized by FAR 52.217-8, Option to Extend Services will be included in the contract. The value of the six (6) months extension is \$2,016,592.99.

The total value of the Bridge contract including FAR 52.217-8 will be \$7,028,789.98.

4. Statutory Authority Permitting Other Than Full and Open Competition.

Under the authority of 10 U.S.C 2304(c)(2) or 41 U.S.C. 3304 (a)(2), when the agency's need for the supplies or services is of such and unusual and compelling urgency that the Government would be seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals, full and open competition need not be provided for as implemented in FAR 6.302-2(a)(2).

5. Rationale Justifying Use of Cited Statutory Authority.

These services are currently being performed by MCM under Contract No. N68836-15-P-0627. A follow-on Contract No. N68836-17-C-0001 was competitively awarded to Seaward Services, Inc. (Seaward) on 27 October 2016 to provide Port Operations Support Services for U. S. Naval Station, Guantanamo Bay, Cuba (NSGB). On 4 November 2016, MCM filed a protest with the Government Accountability Office (GAO) and Seaward was issued a stop work order. GAO dismissed MCM's protest on 14 December 2016. Seaward's stop work order was cancelled on 15 December 2016. Seaward was directed to resume all phase-in activities to provide a Transition Period from 1 January 2017 through 31 January 2017 to assume full responsibility of contract performance on 1 February 2017. On 16 December 2016, MCM submitted a Pre-Filing Bid Protest Notice to the U. S. Court of Federal Claims (USCOFC).

and filed a post-award bid protest with the USCOFC on 22 December 2016. The USCOFC denied MCM's post-award bid protest on 31 January 2017. Seaward performed transition activities with MCM from 1-31 January 2017 to assume full responsibility of contract performance on 1 February 2017. At the start of the contract, [REDACTED] Seaward Services, Inc. confirmed with the Contracting Officer that Seaward could not perform the contract due to [REDACTED]

[REDACTED] Consequently, Seaward was issued a Stop Work Order and a Cure Notice on 1 February 2017 and MCM's Contract N68836-15-P-0627 was extended for one (1) month from 1-28 February 2017. On 13 February 2017, Seaward provided its response to the Government's Cure Notice. In response to the Cure Notice, Seaward proposed a 90 day plan of action and milestones (POA&M) to begin full performance of the contract. [REDACTED]

[REDACTED] The Contracting Officer [REDACTED]

[REDACTED] had a reasonable expectation that Seaward would be able to [REDACTED] resume full performance of Contract N68836-17-C-0001 on 1 June 2017. NAVSUP approval for a bridge contract was approved on 28 February 2017 and MCM's Contract N68836-15-P-0627 was extended for an additional three (3) months from 1 March 2017 through 31 May 2017.

On 1 March 2017, the Government cancelled Seaward's Stop Work Order and accepted Seaward's 90 day POA&M as a remedy to cure its failed performance to staff the contract. [REDACTED]

[REDACTED] On May 24, 2017, the Government issued Seaward a letter of concern [REDACTED]

[REDACTED] On May 25, 2017 Seaward provided its response to the Government's letter of concern. [REDACTED]

[REDACTED] On 31 May 2017, the Contracting Officer terminated Seaward's Contract N68836-17-C-0001 for cause effective 1 June 2017 [REDACTED]

These services are vital to the Government due to the critical operational needs of NSGB and must be continued without interruption. If a Bridge contract is not in place, the break in service would not only cause a major disruption to the daily NSGB operations, but the Joint Task Force detainee functions, as well as the Office of Military Commissions which is in charge of the detainee trial process. Lack of transportation between the Leeward and Windward sides of the base will prevent personnel from getting back and forth to work, and vehicles and equipment from being transported to both sides of the base. It

will also prevent a community of more than 5,000 personnel to be transported to the only airfield on the Leeward side of the base; in which multiple military and commercial flights occur each week. The airfield is also a vital supply hub for the commissary (fresh fruits and vegetables), mail, and the U.S. Marine Corps Guard turnover of watch towers on the fence line. Lack of continuous service will also affect inbound and outbound shipping (military and civilian), delay resupply through the sea port, and hamper SOUTHCOM and NAVSOUTH operations and patrols. Lastly, failure to continue these services under a bridge contract will delay maintenance repairs to 22 service craft and oil spill response vessels. Delayed maintenance and emergent repairs to Harbor Patrol Units will negatively affect NSGB's Antiterrorism and Force Protection (ATFP) posture.

A Bridge contract will provide for continuation of port operations and boat maintenance services for NSGB until NAVSUP, FLCJ can re-solicit a follow-on procurement for Port Operations Support Services at NSGB. The incumbent contractor, Munilla Construction Management, LLC has all of the required resources in place, the technical expertise to perform the work on-site, and is willing to continue to provide port operations support services to NSGB.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

Given the remote location of the worksite, the reliance on foreign national employees, as well as the difficulty in recruiting, providing base clearance access, and confirming base housing at NSGB, only the incumbent Contractor has the ability to provide these services without disruption. Therefore, the Contracting Officer only considered MCM as a source to satisfy NSGB's requirement for Port Operations Support Services.

7. Determination of Fair and Reasonable Cost.

The Contracting Officer shall ensure that all services covered by this J&A are procured at a fair and reasonable price. This acquisition is a follow-on re-procurement as a result of the termination of Seaward's Contract N68836-17-C-0001. The base period of performance under Contract N68836-17-C-0001 is ten (10) months and the follow-on re-procurement Bridge contract will include a ten (10) months period of performance. Table 1 below includes the summary abstract of the acceptable Offerors' price proposals for the ten (10) months base period in response to Solicitation N68836-16-R-0003. As illustrated below, MCM proposed the lowest price for the base period of performance.

**Table 1**

Contractor	Base Period
(1)Munilla Construction Management, LLC	\$3,436,592.99
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

MCM has offered to continue providing port operations support services to NSGB for the period of 1 June 2017 through 31 March 2018 in the amount of \$3,436,592.99. The Contracting Officer has determined that MCM's price is fair and reasonable based on adequate price competition in accordance with FAR 15.404-1(b)(2)(i), ), comparison of proposed prices received in response to solicitation N68836-16-R-0003 for the Base Period. An additional option period of six months, as authorized by FAR 52.217-8, Option to Extend Services will be included in the contract. The pricing used for the option under FAR 52.217-8 will be based on the base period monthly unit prices multiplied by six (6) for all CLINs except for CLIN 0014 and CLIN 0015. The price for the Wheelhouse CLIN will be the same as MCM's proposed base price of \$136,593.00 and the Government directed not to exceed amount will be \$500,000.00. The value of the six months extension under FAR 52.217-8 is \$2,016,592.99.

Additionally, Docking Regular Overhauls for YTB 824 and YC 1639 will be required in FY 18. MCM's price proposal in response to Solicitation N68836-16-R-0003 included a firm fixed-price for the docking availability [REDACTED] for a total of \$1,575,604.00. The independent Government estimate (IGE) for the DROHs is [REDACTED] which includes all work to be performed and towing from NSGB to the designated shipyard and from the shipyard back to NSGB. MCM's proposed price is less than the IGE for the DROHs and therefore determined fair and reasonable.

8. Actions to Remove Barriers to Future Competition.

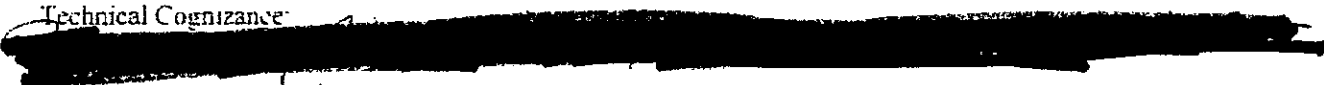
NAVSUP, FLCJ intends to re-solicit a follow-on procurement for Port Operations Support Services at NSGB. Due to the remote location the requirement will be solicited as full and open competition. This requirement was previously solicited under Request for Proposal (RFP) N68836-16-R-0003 using full and open competition and the Contracting Officer received five (5) proposals in response to the solicitation.

9. CONTRACTING POINT OF CONTACT.

The point of contact is Contract Specialist, Elaine Florence who can be reached at (904) 542-1657 or email at [elaine.florence@navy.mil](mailto:elaine.florence@navy.mil).

**CERTIFICATIONS AND APPROVAL****TECHNICAL/REQUIREMENTS CERTIFICATION**

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

Technical Cognizance:  


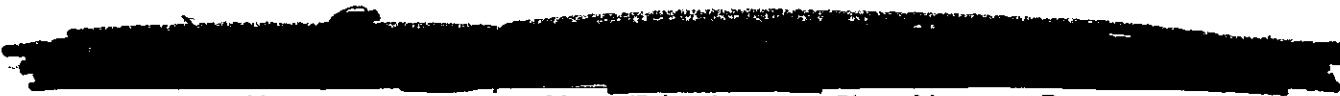
Signature Name (Printed)

Phone No.

Date

**LEGAL SUFFICIENCY REVIEW**

I have determined this Justification is legally sufficient.

  
Signature


Name (Printed)

Phone No.

Date

**CONTRACTING OFFICER CERTIFICATION**

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between \$150K and \$700K, the Contracting Officer's signature below also represents approval of the J&A/LSJ.

  
Signature


Name (Printed)

Phone No.

Date

**CONTRACTING ACTIVITY COMPETITION ADVOCATE REVIEW**

To the extent that the J&A/LSJ value is between \$700K and \$13.5M, the Competition Advocate's signature below also represents approval of the J&A/LSJ.

  
Signature

Name (Printed)

Phone No.

Date